



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Board of County Commissioners

Tuesday, December 20, 2005

9:30 AM

Commission Chamber

Charles Anderson, CPA
Commission Auditor

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**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

Legislative Analysis

**Board of County Commissioners
Meeting Agenda**

Tuesday, December 20, 2005

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

Item Number(s)

8(K)(1)(A)	Add-on item (item # not assigned at time of printing)
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If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:
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LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

***TARGETED JOBS INCENTIVE FUND PROGRAM PARTICIPATION FOR
CONFIDENTIAL PROJECT NO. 06-00076***

Office of Community and Economic Development

I. SUMMARY

The Office of Community and Economic Development recommends that the Board of County Commissioners approve the Targeted Jobs Incentive Fund (TJIF) application for a company proposing to relocate its current headquarters from another part of the state of Florida.

II. PRESENT SITUATION

The TJIF is an initiative by The Beacon Council and Miami-Dade County patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI). The program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards.

III. POLICY CHANGE AND IMPLICATION

This resolution is in accordance with Chapter 2, Article LXXXVI of the County Code, which states "the TJIF Program is only available to companies from outside of Miami-Dade County undertaking relocation to Miami-Dade County and to Miami-Dade County companies undertaking a business expansion. The TJIF Program is not available to companies wishing to relocate to Miami-Dade County from Palm Beach, Broward, and Monroe Counties, respectively, except in cases where said companies are otherwise planning to relocate outside of South Florida. Companies planning to relocate outside of South Florida are eligible for the TJIF inducement program and may be solicited by The Beacon Council in an effort to retain business in South Florida."

Companies relocating to Miami-Dade County must create at least ten new jobs. Expanding Businesses must create the greater of a minimum of five new jobs or at least ten percent of the company's work force at the time of application. A Company's Capital Investment must generate Sufficient Incremental Tax Revenue to the County to fund the TJIF award. Upon County Manager request, the TJIF Committee will determine if the Incremental Tax Revenue is sufficient.

IV. ECONOMIC IMPACT

Project Name	New Jobs	Capital Investment	TJIF Incentive Award	Est. Incremental County Tax Revenue
Confidential Project No. 06-00076	32	\$12 Million	\$560,410	\$700,513

The money used for this incentive will come from the County's General Fund.

V. COMMENTS AND QUESTIONS

- The Beacon Council is recommending a ten-year distribution versus the normal six-year distribution to offset the higher cost of office space in Miami-Dade County than in the other Florida location being considered by this company.
- The salary for the 32 new jobs in 2006 will be an average of \$115,438 with an employee benefits package valued at \$40,403 per new job.

BCC ADD ON ITEM

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LEGISLATIVE ANALYSIS

RESOLUTION APPROVING THE ALLOCATION OF BUILDING BETTER COMMUNITIES BOND PROGRAM FUNDS IN THE AMOUNT OF \$8 MILLION FOR THE PURCHASE AND RENOVATION OF THE PROPERTY LOCATED AT 710-720 ALTON ROAD; AUTHORIZING THE COUNTY MANAGER TO EXECUTE THE AGREEMENT TO PROVIDE FUNDING FOR THE PURCHASE OF 710-720 ALTON ROAD, MIAMI BEACH; AUTHORIZING ACCEPTANCE OF A SPECIAL WARRANTY DEED FOR THE LAND AND THE BUILDING LOCATED AT 710-720 ALTON ROAD, MIAMI BEACH, FLORIDA ATTACHED HERETO; AUTHORIZING THE COUNTY MANAGER, TO EXECUTE THE LEASE AGREEMENT ATTACHED HERETO, AT 710-720 ALTON ROAD, MIAMI BEACH, WITH MIAMI BEACH COMMUNITY HEALTH CARE, INC.; AND AUTHORIZES THE COUNTY MANAGER TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN [SEE ORIGINAL ITEM UNDER FILE NO. 052817]

County Manager

I. SUMMARY

This Resolution allows the allocation of \$8 million dollars from the Building Better Communities Bond Program to Miami Beach Community Health Center, Inc. (MBCHC), the current lessee of property located at 710-720 Alton Road, in order to purchase and renovate the property. Upon ownership of the property, MBCHC will convey by Special Warranty Deed the property to Miami Dade County who will in turn lease the property to MBCHC.

II. PRESENT SITUATION

South Beach Heights I, LLC owns and leases the property to MBCHC to operate a health center that provides comprehensive primary health care services to low income residents of Miami Beach and the surrounding areas.

The 25,000 sq. ft. building houses 15,000 sq. ft. for the health center and 10,000 sq. ft. of undeveloped warehouse space. The following services are provided to the community:

- | | | |
|---|------------------------------|-------------------------------------|
| • Counseling | • Dentistry | • General Medicine |
| • Family Planning | • Podiatry | • Immune Support Programs |
| • Internal Medicine | • Laboratory | • Obstetrics/Gynecology |
| • Pharmacy | • Pediatrics/Child | • Health Education |
| • X-Rays | • Prenatal Care | • Referrals to Specialists |
| • Women, Infants, and Children Programs | • Vision & Hearing Screening | • Outreach Services (HIV/Perinatal) |
| • Preventative & Health Maintenance | • Geriatric Care | |

BCC ADD ON ITEM

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The property, zoned CD-2 by the city of Miami Beach, has a maximum allowance of 38,250 sq. ft. of gross building area.

In 2004, the Building Better Communities Bond Program was approved by voters. Although the purchasing and renovation of this property was not listed as a project funded under the bond program, it was included without a specified dollar amount under the Healthcare Fund at a Building Better Communities Meeting on July 20, 2004.

III. POLICY CHANGE AND IMPLICATION

This resolution proposes the implementation of two separate actions. First, it authorizes the allocation of funds to pay for the purchasing and renovation of the MBCHC. Under the Bond Program, the Healthcare Fund has \$25 million allocated towards Primary Healthcare Facilities. Funding for the purchasing and renovation of the MBCHC would be itemized as a line item under this subsection of the Healthcare Fund.

Secondly, an advance in proceeds in the amount of \$13.635 million was received from the sale of the bonds. The \$13.635 million in early proceeds does not increase the amount of the Building Better Communities Bond Program, but it gives the County the ability to utilize proceeds that would have been received later in the life of the bond in order to expedite certain projects.

This resolution allows for \$8 million (\$6.995 million to purchase and \$1,005,000 towards the closing costs and rehabilitation) from the early bond proceeds to be allocated for the purchase of 25,000 sq. ft. of property “as is”, along with the future development rights of that property.

If purchased, MBCHC would lease the property from the County and would be responsible for all operating expenses including the cost of parking.

IV. ECONOMIC IMPACT

\$8 million from the \$13.635 million in early proceeds of the GOB Bonds would be allocated towards the purchasing and rehabilitation of the MBCHC property.

V. COMMENTS AND QUESTIONS

During the December 14, 2005 COSHAC Committee meeting, several Commissioners expressed concerns that there were no low income health centers located in their districts. It is recommended that future allocations prioritize the need for healthcare facilities in these underserved districts.